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LISTING STATEMENT No. 2144

LISTED OCTOBER 28th, 1963
769,500 shares without par value
Ticker abbreviation "SLP"
Post section 11

file

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT
NOV 11 1963

SELECT LEASED PROPERTY FINANCE
LIMITED

Incorporated under the laws of Ontario by Letters Patent dated
August 29, 1956

SHARES WITHOUT PAR VALUE

CAPITALIZATION AND FUNDED DEBT AS AT JUNE 30, 1963

	AUTHORIZED	ISSUED AND OUTSTANDING	TO BE LISTED
CAPITAL STOCK:			
Shares without par value	3,000,000	769,500	769,500
FUNDED DEBT:			
5½ % First Mortgage Bonds, maturing in annual installments to January 1, 1977	\$ 200,000	\$158,000	Nil
7% First Mortgage Bonds, maturing in annual installments to September 1, 1980	\$1,000,000	\$960,000	Nil

August 21st, 1963

1. APPLICATION

SELECT LEASED PROPERTY FINANCE LIMITED (hereinafter called the "Company") hereby makes application for listing on The Toronto Stock Exchange of 769,500 shares without par value in the capital stock of the Company, all of such shares having been issued and being outstanding as fully paid and non-assessable.

The Company was incorporated in 1956 as a property-holding Company for the purpose of acquiring real estate which would provide a satisfactory income return on cash investment and a long-term hedge against inflation. To date, only properties leased on a relatively long-term basis to corporations which the Company considers as having a satisfactory credit rating and one shopping centre have been purchased by the Company.

Up to 1959, the Company purchased five properties. In 1960, the Company purchased all the shares of Great Oak Securities Limited, which is a wholly-owned subsidiary of the Company. The assets of Great Oak Securities Limited consisted of three warehouses leased on a long-term basis to Simpsons-Sears Limited. The Company acquired two more properties in 1960, two in 1961, and one in 1962 bringing the total number of properties under its direct or indirect ownership to thirteen.

In addition, the Company has entered into a firm commitment to purchase the Bayview Village Centre located at the North-east corner of Bayview and Sheppard Avenues, in Metropolitan Toronto, and it is expected that the closing of this transaction will occur when construction is completed towards the end of 1963.

INCORPORATION AND CAPITAL CHANGES

The Company was incorporated as a Private Company under the Corporations Act (1953) of Ontario under the name of Monre Investments Limited by Letters Patent dated August 29, 1956. The authorized share capital of the Company as provided by its Letters Patent was divided into 900 non-voting preference shares with a par value of \$100.00 each and 10,000 common shares without par value.

By Supplementary Letters Patent dated December 23, 1958, the name of the Company was changed to its present name, the Company was converted into a Public Company and the share capital of the Company was altered by (a) reclassifying and changing the 900 non-voting preference shares with a par value of \$100.00 each into 900 shares without par value; (b) subdividing the said 900 shares without par value into 90,000 shares without par value; (c) varying the provisions of the Letters Patent by (i) deleting the clauses relating to the non-voting preference shares and (ii) designating the 2,650 issued and 7,360 unissued common shares of the Company without par value as 2,640 issued and 7,360 unissued shares without par value respectively, ranking on a parity with the 90,000 shares without par value mentioned above; and (d) increasing the authorized capital of the Company by creating an additional 900,000 shares without par value, ranking on a parity with the 2,640 issued and 97,360 unissued shares of the Company without par value. The authorized share capital of the Company then consisted solely of 1,000,000 shares without par value.

By Supplementary Letters Patent dated May 8, 1963, the 153,900 issued and 846,100 unissued shares of the Company without par value were subdivided on a three for one basis into 461,700 issued and 2,538,300 unissued shares without par value respectively. The authorized share capital of the Company now consists of 3,000,000 shares without par value, provided that the said shares shall not be issued for a consideration exceeding in amount or value the sum of \$5,000,000.00 or such greater amount as the board of directors of the Company deems expedient on payment to the Treasurer of Ontario of the fees payable on such greater amount and on the issuance by the Provincial Secretary of a certificate of such payment.

NO PERSONAL LIABILITY—OPINION OF COUNSEL

Messrs. McCarthy & McCarthy, 330 University Avenue, Toronto, Ontario, Counsel for the Company, are filing in support of this Application, an Opinion stating among other things, that (a) the Company is duly incorporated and is a valid and subsisting corporation in good standing under the laws of the Province of Ontario; (b) the duly authorized capital of the Company consists of 3,000,000 shares without par value; and (c) 769,500 shares without par value have been duly issued and are outstanding as fully paid and non-assessable.

5.

SHARES ISSUED SINCE INCORPORATION

DATE OF ISSUE	NUMBER OF SHARES		AMOUNT REALIZED PER SHARE		TOTAL AMOUNT REALIZED
	ISSUED	AFTER 1963 STOCK SPLIT (a)	AS ISSUED	AFTER 1963 STOCK SPLIT (a)	
5 Sept. 1956	3	9	\$1.00	\$.33⅓	\$ 3
5 Sept. 1956	37	111	1.00	.33⅓	37
10 Dec. 1958	2,600	7,800	3.80	1.26⅔	9,880
14 Jan. 1959	17,360	52,080	3.80	1.26⅔	65,968(b)
13 Mar. 1959	133,900	401,700	5.00	1.66⅔	669,500(c)
15 May —					
12 June 1963	307,800(d)	307,800(d)	1.75	1.75	538,650(e)
Totals:—		<u>769,500</u>			<u>1,284,038</u>

NOTES:

- (a) Shares split three for one by Supplementary Letters Patent dated May 8th, 1963
- (b) Made up of \$14,995.47 cash and cancellation of indebtedness of \$60,892.53.
- (c) The costs of the issue were approximately \$2,500.00.
- (d) Issued pursuant to exercise of rights issued to shareholders May 15, 1963 to purchase shares (after 1963 stock split) at \$1.75 each on a basis of 2 subdivided shares for each 3 subdivided shares held. These rights expired June 12, 1963.
- (e) The costs of the rights issue were approximately \$1,500.00
- (f) The Shares issued prior to December 23, 1958, were issued as common shares without par value and were redesignated as shares without par value by the Supplementary Letters Patent of that date. No shares were issued as preference shares.

6.

STOCK PROVISIONS AND VOTING POWERS

The holders of the shares of the Company are entitled to receive notice of and to attend any meeting of the shareholders and are entitled to cast one vote for each share held.

7.

DIVIDEND RECORD

No dividends have been declared or paid by the Company since its incorporation to date hereof.

8.

RECORD OF PROPERTIES

PROPERTIES OWNED BY THE COMPANY

- (1) Supermarket in Kitchener, Ontario, acquired in 1956. This property is now leased to Steinberg's Limited (with The Grand Union Company, a Delaware Corporation as guarantor) for a term expiring October 30, 1976, subject to certain rights of renewal. This property contains about 2 acres and the outstanding \$158,000.00 principal amount of 5½% First Mortgage Bonds of the Company are secured on this property.
- (2) Supermarket in London, Ontario, acquired in 1959. This property is now leased to Steinberg's Limited for a term expiring October 30, 1976, subject to certain rights of renewal. This property contains about 2 acres and is subject to a 5¾% First Mortgage of which \$104,554.35 in principal amount was outstanding at June 30, 1963.
- (3) A one storey industrial building at 484 Kipling Avenue South, Toronto 18 (Etobicoke), Ontario, acquired in 1959. This property is now leased to International Equipment Company Limited (a subsidiary of Canadian Corporation Management Company Limited) for a term expiring February 1, 1979. The property contains about 30,500 square feet and is subject to a 6¾% First Mortgage of which \$44,773.45 in principal amount was outstanding at June 30, 1963.

RECORD OF PROPERTIES (Continued)

- (4) A three storey office building with basement at 1255 Yonge Street, Toronto, Ontario, acquired in 1959. There are various tenants of this building. The property contains about 6,600 square feet and is subject to a 5½% First mortgage of which \$77,743.48 in principal amount was outstanding at June 30, 1963.
- (5) A one storey industrial building at 59 Underwriters Road, Scarborough, Ontario, acquired in 1959. This property is now leased to Commercial Alcohols Limited (a wholly-owned subsidiary of Canadian International Paper Company Limited) for a term expiring September 30, 1967. The property contains about 37,850 square feet and the outstanding \$960,000.00 principal amount of 7% First Mortgage Bonds of the Company are secured on this property and the properties referred to in item (6) and (7) below.
- (6) A one storey industrial building at 409 Evans Avenue, Etobicoke, Ontario, acquired in 1960. This property is now leased to Canada Vinegars Limited for a term expiring in 1980, subject to certain rights of renewal. The property contains about 5 acres and the outstanding 7% First Mortgage Bonds of the Company are referred to in item (5) above, are partially secured on this property.
- (7) A one storey branch bank with basement located at Albion Road and Islington Avenue, Thistle-town, Ontario acquired in 1960. This property is leased to The Royal Bank of Canada for a term expiring in 1980 subject to certain rights of renewal. The property contains about 8,075 square feet and the outstanding 7% First Mortgage Bonds of the Company referred to in item (5) above, are partially secured on this property.
- (8) A one storey retail store and service depot with basement at 114 Merrick Street, Hamilton, Ontario, acquired in 1961. This property is now leased to Dominion Rubber Company Limited for a term expiring November 30, 1968, subject to certain rights of renewal. The property contains about 15,400 square feet and is subject to a 7% First Mortgage of which \$176,778.46 in principal amount was outstanding at June 30, 1963. This mortgage also covers the property referred to in item (9) below.
- (9) Supermarket at 585 St. Clair Avenue West, Toronto, Ontario, acquired in 1961. This property is now leased to The Great Atlantic and Pacific Tea Company Limited for a term expiring August 31, 1965, subject to certain rights of renewal. This property contains about 8,500 square feet and is subject to the first mortgage referred to in item (8) above.
- (10) Oakridge Acres Shopping Centre at Oxford Street and Hyde Park Side Road, London, Ontario, acquired in 1962. There are 33 tenants in this shopping centre of which the major tenants are Loblaw Groceries Co., Limited, F. W. Woolworth Co. Ltd., Bank of Montreal and Canadian Imperial Bank of Commerce. The property contains about 8 acres and is subject to a 7% first mortgage of which \$944,430.36 in principal amount was outstanding at June 30, 1963.
- (11) The Company has entered into an agreement of purchase and sale with Bayview Village Centre Limited to acquire the Bayview Village Shopping Centre under construction at the north-east corner of Bayview and Sheppard Avenues, North York, Toronto, Ontario for \$2,800,000.00, subject to adjustments.. Of the said sum \$150,000.00 has been paid. This purchase has not yet been closed, but Bayview Village Centre Limited has entered into a firm commitment with the Company for the lease-back of this property for a term of twenty years, subject to certain rights of renewal. The property contains about 18 acres and it is expected that this shopping centre will have about 50 tenants of which the principal ones will include the Liquor Control Board of Ontario, The Bank of Nova Scotia and Canadian Imperial Bank of Commerce. The Company plans to arrange first mortgage or first mortgage bond financing (secured by this property) to cover the major portion of the moneys required to pay the balance of the purchase price due at time of closing — with the remainder being financed through the Company's existing line of bank credit.

(a) Great Oak Securities Limited

Incorporated under the laws of the Province of Ontario by Letters Patent dated April 1, 1954.
Authorized Share Capital:

4,000 preference shares of \$100.00 par value each;
100,000 common shares without par value.

Issued Share Capital (all of which is owned by the Company):

350 preference shares, \$100.00 par	\$35,000.00
3 common shares, n.p.v.	3.00

Great Oak Securities Limited owns three warehouse properties located in Hamilton, Peterborough and Sarnia, Ontario, all of which are leased to Simpsons-Sears Limited under a long-term lease expiring in 1974, subject to certain rights of renewal. The properties contain about 3¼ acres, 4 acres and 1¾ acres, respectively and are of one storey, cement block construction. Great Oak Securities Limited has issued and outstanding \$439,000.00 principal amount of 5% First Mortgage Bonds due September 1, 1974, which are secured on the three properties owned by it referred to above.

(b) Bayview Village Centre Limited

Incorporated under the laws of the Province of Ontario by Letters Patent dated March 19, 1963.
Authorized Share Capital:

40,000 share without par value.

Issued Share Capital (all of which is owned by the Company):

3 shares, n.p.v.	\$ 3.00
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Bayview Village Shopping Centre Limited owns the Bayview Village Shopping Centre referred to above. The Company has entered into an agreement dated March 29, 1963, with John W. Combs and Bayview Village Centre Limited, whereby the Company has undertaken to re-sell to John W. Combs all the shares it acquired in the capital stock of Bayview Village Centre Limited at the same price at which it acquired them from him (\$3.00) within ten days after the closing of the purchase and sale of the lands comprising the Bayview Village Shopping Centre referred to above.

(a) The Company:

\$158,000.00 principal amount of 5½ % First Mortgage Bonds, maturing in annual installments to January 1, 1977, with interest payable semi-annually on January 1 and July 1 in each year.

\$960,000.00 principal amount of 7% First Mortgage Bonds, maturing in annual installments to September 1, 1980, with interest payable semi-annually on March 1 and September 1 in each year.

(b) Great Oak Securities Limited:

\$439,000.00 principal amount of 5% First Mortgage Bonds, due September 1, 1974, but subject to redemption at par in annual installments under terms of a sinking fund agreement.

(c) Bayview Village Centre Limited:

No funded debt. Neither the Company, nor any of its subsidiaries is in arrears.

11. OPTIONS, UNDERWRITINGS, ETC.

There are no securities of the Company covered by options outstanding or by underwriting or sale agreements or any other contracts or agreements of a like nature with respect to any unissued shares of the Company or any issued shares held for the benefit of the Company. Reference is hereby made, however, to the re-purchase agreement outstanding for the shares of Bayview Village Centre Limited referred to under item 9 (b) above.

12. LISTING ON OTHER STOCK EXCHANGES

The securities of the company are not listed on any other Stock Exchange.

13. STATUS UNDER SECURITIES ACT

(a) The Company filed with the Ontario Securities Commission a Prospectus dated January 14, 1959, relating to the sale of 180,000 shares without par value (since subdivided into 540,000 shares without par value).

(b) The Ontario Securities Commission was notified and did not object to the issue of rights by the Company to its shareholders and the issue and sale of 307,800 shares without par value consequent on the exercise of such rights.

14. FISCAL YEAR

The fiscal year of the Company ends on December 31st in each year.

15. ANNUAL MEETING

The By-laws of the Company provide that the Annual Meeting of the shareholders shall be held at such place within Ontario, at such time and on such day in each year, as the Board, or the President, or a Vice-President who is a director, may from time to time determine. The last Annual Meeting was held on May 1, 1963.

16. HEAD AND OTHER OFFICES

The Company's head office is maintained at 55 Yonge Street, Toronto 1, Ontario. The Company has no other offices.

17. TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the shares of the Company is The Royal Trust Company, 66 King Street West, Toronto 1, Ontario.

18. TRANSFER FEE

No fee is charged on stock transfers other than the customary Government stock transfer taxes.

19. AUDITORS

Clarkson, Gordon & Co., Chartered Accountants, 15 Wellington Street West, Toronto 1, Ontario, are the Auditors of the Company.

20.

OFFICERS

TITLE	NAME	ADDRESS
President	William Cranfield Harris	257 Warren Road, Toronto 7, Ontario.
Vice-President	Charles Nichol Bradshaw	19 Bridle Path, Willowdale, Ontario.
Secretary	John Maurice Conn	Apt. 1517, 31 Alexander Street, Toronto 5, Ontario.
Treasurer	Earl Roland Jarvis	63 Hillhurst Boulevard, Toronto 12, Ontario.

21.

DIRECTORS

NAME	ADDRESS
Herbert Brownlee Bell	50 Lawrence Crescent, Toronto 12, Ontario.
Charles Nichol Bradshaw	19 Bridle Path, Willowdale, Ontario.
Sir Arthur Atkinson Bruce	4 Crosby Square, London E.C. 3, England.
William Cranfield Harris	257 Warren Road, Toronto 7, Ontario.
Rochford Kirwan Martin	31 Dunloe Road, Toronto 7, Ontario.
Alexander Lewis Paget Falconer Wallace	4 Crosby Square, London E.C. 3, England.

CERTIFICATE OF OFFICERS

Pursuant to a resolution duly passed by its Board of Directors, the applicant Company hereby applies for listing of the above-mentioned securities on The Toronto Stock Exchange, and the undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

SELECT LEASED PROPERTY FINANCE LIMITED



"C. N. BRADSHAW"
Vice-President

"J. M. CONN"
Secretary

STATEMENT SHOWING NUMBER OF SHAREHOLDERS

Distribution of No Par Value stock as of 9th October, 1963.

Number	Shares
5 Holders of 1 — 99 share lots	101
59 " " 100 — 199 " "	6,100
15 " " 200 — 299 " "	3,100
8 " " 300 — 399 " "	2,450
2 " " 400 — 499 " "	800
38 " " 500 — 999 " "	20,000
65 " " 1000 — up " "	736,949
192 Shareholders	Total shares
	769,500

FINANCIAL STATEMENTS

SELECT LEASED PROPERTY FINANCE LIMITED

and its subsidiary

Great Oak Securities Limited

(Incorporated under the laws of Ontario)

CONSOLIDATED BALANCE SHEET

JUNE 30, 1963

ASSETS

CURRENT:

Cash	\$ 37,007
Account receivable	2,443
Sundry investments	2,890
Prepaid expenses	2,812
Total current assets	<u>\$ 45,152</u>

FIXED:

Land, at cost	\$ 505,036
Buildings, at cost	\$4,263,155
Less accumulated depreciation	<u>351,582</u> 3,911,573
Deposited on contract to purchase real estate (note 5)	150,000
Total fixed assets	<u>\$4,566,609</u>

OTHER:

Deferred mortgage financing expenses (less amortization)	7,828
Shares of Bayview Village Centre Limited (note 6)	3
	<u>7,831</u>
	<u>\$4,619,592</u>

LIABILITIES

CURRENT:

Accounts payable and accrued charges	\$ 159,789
Income and other taxes payable	1,712
Deferred rentals	13,366
Total current liabilities	<u>\$ 174,876</u>

DEFERRED INCOME TAXES (NOTE 2)	<u>94,485</u>
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LONG-TERM DEBT:

Mortgages and mortgage bonds (note 3)	<u>\$2,905,280</u>
(Included in long-term debt are amounts due within one year aggregating \$116,090)	

SHAREHOLDERS' EQUITY:

Capital —	
Authorized: 3,000,000 shares without par value (note 4)	
Issued: 769,500 shares (note 4)	\$1,284,038
Earned surplus	160,913
Total shareholders' equity	<u>\$1,444,951</u>
	<u>\$4,619,592</u>

On behalf of the Board:

"C. N. BRADSHAW"

Director

"H. B. BELL"

Director

(See accompanying notes to financial statements)

SELECT LEASED PROPERTY FINANCE LIMITED
and its subsidiary
Great Oak Securities Limited

STATEMENTS OF CONSOLIDATED PROFIT AND LOSS AND EARNED SURPLUS
FOR THE FIVE YEARS AND SIX MONTHS ENDED JUNE 30, 1963 (Note 1)

PROFIT AND LOSS

	SIX MONTHS ENDED JUNE 30		YEAR ENDED DECEMBER 31,			
	1963	1962	1961	1960	1959	1958
Rental income	\$218,747	\$311,060	\$297,585	\$165,477	\$54,325	\$22,100
EXPENSES:						
Bank interest	19,614	16,761	11,591	6,949		1,909
Bond and mortgage interest	85,071	118,557	119,360	44,713	17,744	10,670
Capital and place of business taxes	617	1,200	1,190	1,200	602	172
Depreciation	53,134	71,619	69,764	36,332	11,577	5,545
Insurance	767	1,391	1,292	884	540	160
Legal and audit	1,552	500	625	3,071	754	190
Management fee	6,788	12,400	11,400	3,800		
Maintenance	5,929	10,197	10,061	10,713	3,293	
Property taxes	10,436	20,790	17,288	8,885	2,796	
Sundry	1,744	3,000	1,829	1,384	967	20
	<u>\$185,652</u>	<u>\$256,415</u>	<u>\$244,340</u>	<u>\$117,931</u>	<u>\$38,273</u>	<u>\$18,666</u>
	<u>\$ 33,095</u>	<u>\$ 54,645</u>	<u>\$ 53,245</u>	<u>\$ 47,546</u>	<u>\$16,052</u>	<u>\$ 3,434</u>
Add:						
Revenue from interest and dividends	\$ 3,400	\$ 8,925	\$ 3,371	\$ 3,752	\$17,869	
Profit on sale of investments				4,732	4,124	
	<u>\$ 3,400</u>	<u>\$ 8,925</u>	<u>\$ 3,371</u>	<u>\$ 8,484</u>	<u>\$21,993</u>	
Net profit before taxes	\$ 36,495	\$ 63,570	\$ 56,616	\$ 56,030	\$38,045	\$ 3,434
Income taxes (note 2)	14,351	23,448	19,040	19,175	10,400	750
Net profit for the period	<u>\$ 22,144</u>	<u>\$ 40,122</u>	<u>\$ 37,576</u>	<u>\$ 36,855</u>	<u>\$27,645</u>	<u>\$ 2,684</u>

EARNED SURPLUS

Balance, beginning of period	\$138,769	\$ 98,647	\$ 61,071	\$ 24,216	\$ 3,873	
Add:						
Net profit for the period	22,144	40,122	37,576	36,855	27,645	2,684
Adjustment of prior year's income						1,189
Deduct incorporation and financing expenses (less applicable income taxes)					(7,302)	
Balance, end of period	<u>\$160,913</u>	<u>\$138,769</u>	<u>\$ 98,647</u>	<u>\$ 61,071</u>	<u>\$24,216</u>	<u>\$ 3,873</u>
(See accompanying notes to financial statements)						

AUDITORS' REPORT

To the Directors of
Select Leased Property Finance Limited:

We have examined the consolidated balance sheet of Select Leased Property Finance Limited and its subsidiary, Great Oak Securities Limited, as at June 30, 1963 and the statements of consolidated profit and loss and earned surplus for the five years and six months ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and statements of consolidated profit and loss and earned surplus present fairly the financial position of the companies as at June 30, 1963 and the results of their operations for the five years and six months ended on that date, in accordance with generally accepted accounting principles applied on a consistent basis throughout the period.

"CLARKSON, GORDON & CO."
Chartered Accountants.

Toronto, Canada,
July 29, 1963.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 1963

1. The accompanying financial statements consolidate the accounts of the company's subsidiary, Great Oak Securities Limited for the period from date of acquisition on July 29, 1960. The shares of this company were acquired for a price in excess of the amount shown as shareholders' equity in the books of the subsidiary. On consolidation the excess has been allocated to land and buildings and the portion allocated to buildings is being amortized as depreciation on the same basis as the subsidiary's cost of buildings.
2. For income tax purposes the companies claim deductions for capital cost allowances in excess of the amount of depreciation recorded in the accounts. The tax reductions applicable to these extra allowances are not reflected in income, but are credited instead to a "deferred income taxes" account (shown separately in the balance sheet).
3. The details of the long-term debt at June 30, 1963 are as follows:

5% First mortgage bonds due September 1, 1974 subject to redemption at par in annual installments under terms of a sinking fund agreement	\$ 439,000
5½ % First mortgage repayable in monthly installments 1963-1969	77,744
5½ % First mortgage bonds maturing in annual installments 1963-1977	158,000
5¾ % First mortgage due December 1, 1966, but partially repayable in monthly installments 1963-1966	104,554
6¾ % First mortgage repayable in monthly installments 1963-1979	44,774
7% First mortgage due October 1, 1967, but partially repayable in monthly installments 1963-1967	176,778
7% First mortgage repayable in monthly installments 1963-1968	944,430
7% First mortgage bonds maturing in annual installments 1963-1980	960,000
Total long-term debt	\$2,905,280
4. On May 8, 1963 the company obtained supplementary letters patent dividing the authorized capital of 1,000,000 common shares into 3,000,000 common shares, as a result of which the 153,900 shares previously issued and outstanding were increased to a total of 461,700 shares. Rights were then issued to shareholders to purchase 2 common shares for each 3 common shares held at a price of \$1.75 per share. All such rights were exercised on or before expiry date of June 12, 1963 with the result that 307,800 additional treasury shares were issued for a total cash consideration of \$538,650.
5. The company has entered into a contract with Bayview Village Centre Limited to acquire, at a cost of \$2,800,000, certain lands and buildings comprising a shopping centre presently under construction at the northeast corner of Bayview and Sheppard Avenue in Metropolitan Toronto. The company has paid a deposit of \$150,000 on account of the purchase price; a further \$2,350,000 is payable on closing (i.e. 3 months following completion of construction), and the remaining balance of \$300,000 is payable one year after closing. The company plans to arrange first mortgage or first mortgage bond financing (secured by the property) to cover the major portion of the monies required to meet the settlement due at time of closing—with the remainder being financed through existing lines of bank credit.

The company has given a guarantee of \$2,000,000 for the payment of construction costs to Taylor Woodrow of Canada Limited who are constructing the shopping centre buildings for Bayview Village Centre Limited.
6. The company is the temporary owner of all the shares of Bayview Village Centre Limited—such shares being held as security for the company's rights and interests under the purchase agreement referred to above. The accounts of Bayview Village Centre Limited are not consolidated with these of the Company because it has been agreed that on completion of the project the shares will be sold back to the original owners at their purchase price of \$3, with no resulting profit or loss to the Company.

